THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) GAIL (India) Limited's proposal of laying a gas pipeline between Jagadishpur to Kolkata/Haldia is under active consideration but at a preliminary stage of implementation as the source of gas supply is still to be finalized and downstream consumer tie-ups are being arranged.

Restrictions on import of petroleum products

1679. PROF. M.M. AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have formulated any scheme to restrict the import of petroleum products;

(b) whether the import of petroleum products is growing due to the constant increase in the demand of petroleum products against the production of crude oil in the country; and

(c) if so, the necessary steps being taken by Government in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) No, Sir. Although the country is surplus in most petroleum products, except LPG, imports of non-transportation fuels except kerosene are freely allowed and are made on commercial considerations. Import of transportation fuels is allowed through IOC and by companies who have been granted marketing rights. Kerosene import is allowed through State Trading Enterprises like IOC, HPC and BPC.

(b) and (c) The import of petroleum products has grown marginally from 8 Million Metric Tonnes (MMT) in 2003-04 to 8.8 Million Metric Tonnes (MMT) in 2004-05 as against growth in exports of petroleum products from 14.6 MMT to 17.5 MMT during the same period. The increased import is on account of the increase in demand and for meeting the demand for EURO III/Bharat Stage II quality fuel laid down by the Auto Fuel policy. During the corresponding period, indigenous crude production has also increased marginally from 33.373 MMT to 33.980 MMT.

In view of India's export earnings of over Rs.28,000 crore from petroleum products in 2004-05, Indian Oil Corporation Limited have been asked to

prepare a detailed feasibility study on making India an investment destination for refineries, in particular export-oriented refineries, aimed at promoting India as the refining hub of South Asia/South East Asia.

Recommendations of Synergy in Energy Panel

1680. SHRI MANOJ BHATTACHARYA:
SHRI R.P. GOENKA:
SHRI C. PERUMAL:
SHRI V. NARAYANASAMY:
SHRI C. RAMACHANDRAIAH:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:-

(a) whether the Synergy in Energy Panel headed by Dr. V. Krishnamurthy, has submitted its report to Government;

(b) if so, the details of its major recommendations and Government's reaction thereto; and

(c) the action taken/proposed to be taken with regard thereto?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) Yes, Sir.

(b) and (c) The Committee has recommended policy and structural changes and also suggested certain management solutions for improved performance of the oil companies in the public sector. Some of the major recommendations are:

1. Merger of Oil Public Sector Undertakings (PSUs) may not be advisable for the present.
2. On policy issues there is need for an integrated energy policy, setting up of Cabinet Committee on Energy headed by the Prime Minister and setting up of an Energy Ministry. The Committee has also recommended revamping of the existing framework of supervision and overview by various surveillance agencies like Central Vigilance Commission by setting up of pre-investigation Board with former PSUs chiefs, Government and Private Sector representatives.